



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

sian population are peasants, and I think it is only fair that they should have the most to say in the government of their country. And, finally,

I say "Republic" because I think that is the only form of government that can guard us against any possible monarchical restoration.

Shell-Shocked America

By BRUCE BLIVEN

Associate Editor, New York Globe

ALL our public men who go to Europe—and nearly all of those who don't—make speeches or write articles telling what America ought to do to aid the rehabilitation of a war-wrecked world. These worthy gentlemen do not agree with one another as to details, but they are pretty well in accord as to the underlying attitude which they demand (with indignation or pathos, according to temperament) that America should assume.

They ask us to be unselfish, or at the least, selfish in the enlightened spirit which casts its bread upon the water now in the expectation that the next tide will bring it back with compound interest. They demand that we shall take a broad, intelligent view of the whole complex situation, based on a thorough understanding of the fundamental economic problems. They implore us to resume the moral leadership of all humanity which we won during the War and lost during the peace. They beseech us not to insist on the repayment of the huge sums owed us by the allies, sums which (1) cannot be paid because of the debtors' bankruptcy; (2) if they were by some miracle to be liquidated, would wreck our foreign trade, or fearfully inflate our currency or both, and (3) were spent in America by nations fighting the battle of civilization, in a struggle which was then, as afterward, quite as much ours as theirs.

The temptation to hand out advice to America is entirely irresistible; I shall yield to it myself in just a moment. However, it is perhaps just as useful at present to enquire what America *will* do, as to tell her what she ought to do. After all, Europe would be much better pleased to find out exactly what likelihood there is of aid from the United States than to hear again a list of things which would be lovely if they were done, but almost certainly will not be.

THE EXPECTED AND THE PROBABLE

I think most sober students of American politics and economics must agree with the statement that there is not one chance in a hundred that America will do the fine things she is asked to do to pull Europe out of the morass. We are urged not to be selfish, but unless all signs fail, selfish is exactly what we shall be. We are requested to put our demands upon the Old World into abeyance for a generation or so; but where is there in America the clear-visioned, broad-minded leadership which can carry through such a procedure against the indifference or the hostility of a population which, after all, partakes chiefly of the characteristics of Mr. Kipling's bandarlog?

We are invited to study and comprehend the underlying economic principles which must be followed before

the wheels of industry will revolve between the Baltic and the Mediterranean, the North and the Black seas. But an intelligent understanding of economic fundamentals is the last thing of which we are capable, as the solemn idiocy of Washington on the tariff question too clearly shows. We are asked to cancel the allied indebtedness, and on excellent grounds; but a majority of our legislators appear incapable of understanding those grounds, and the intelligent minority believes that any man who voted for such a thing would be hurled from office by his indignant constituency.—And it may be right.

As for our place at the head of the procession, it is true that for a few months America held the moral leadership of the world; but was there a moment when the rank and file really deserved that moral leadership? Is it not true that we entered the War on one spiritual level and were raised to another when a master of vaguely noble phrases in the White House used the magic of his war-prestige to turn our overheated emotions into channels we should never have been capable of finding for ourselves?

Whatever may have been true in the past, most Americans today are in a condition which might be described as spiritual shell-shock. The terrific emotional experience of the War exhausted us, left us in a state which to the eye of a practiced psychiatrist must exhibit many of the characteristics of hysteria. With our spirits battered by the war, we are even more calloused than normally to the sufferings of all persons at a distance. We have heard so much lately of Europe's troubles that we are fatigued to the point of resentment, if not actually to a grim satisfaction that she is stewing in her own unsavory juice. Americans have always had what the psychologists' jargon calls a

humility complex toward European affairs. We were told over and over that Old World diplomats were much too clever for us. It was not necessarily true, but it became a fixed part of our national cosmogony and has seemingly emerged from the war period more firmly rooted than ever.

In view of all this, the only conclusion to which a realist can come is that in the immediate future the best to be expected from official Washington is that it will pursue an essentially stupid, essentially selfish policy toward European restoration. A tariff will be passed which will do grave harm to European industry and will benefit only small special groups in the United States, while injuring this country as a whole. A soldiers' bonus will be created which will so gravely disrupt our finances that the average ex-service man will be worse off after receiving his money than before, either through currency inflation or retarded industrial recovery. We shall continue to demand from our European debtors interest and amortization on debts most of them cannot pay. Refusing to take any share in the rehabilitation of Europe, we shall go on ladling out to her good advice about balancing her budgets, deflating her currency, demobilizing her armies, stabilizing her trade and funding her international debts. This advice is all excellent, but Europe is neither physically able nor spiritually ready to accept it, unless we will buy her acquiescence. Civilization probably will not go under; but the twilight in which Europe finds itself today may be prolonged for decades; may even deepen before the light returns.

A POSSIBLE PROGRAM

But the rôle of prophet is as gloomy as it is dangerous; I greatly prefer to join the well-nigh innumerable cara-

van of dictators of morality to the United States. Assuming that this country would do all that it ought to do, what should its program be?

Nothing is easier than to write a formula:

The United States should offer to join the League of Nations if France and England will. Let no one argue that they are already in; they are not. No major participant has ever taken the League seriously enough to permit it to be five per cent of what it ought to be. An arbitration court is not enough; a polite repository of facts and agreements on the white slave traffic, the anti-tuberculosis struggle and labor conditions is not enough. Unless the League is the strongest thing in Europe, it is worse than nothing. It should have a great general staff, the only one in existence; it should force disarmament and demobilization on every country, and train only troops enough in each nation for use in its own service when carrying out the terms of the world-wide non-aggression pact. When the United States joins such a "League with teeth" she should insist that every other nation join as well.

An international body of economists including representatives of neutral countries should be appointed under the League to revise the German reparations bill. Its first act, of course, must be to wipe out claims for separation and pension allowances.

Under the League with America a member, a Federal Reserve System of Europe should be created, as Frank Vanderlip suggests, with member banks in all countries using its paper as a means of financing international

trade regardless of fluctuations in exchange. The various European currencies, by agreement under the League, should stabilize their monetary values at or near the present degree of inflation, avoiding the terrible hardships of an attempted return to pre-war gold values. America and Great Britain should join in financing with their surplus gold the Federal Reserve System of Europe. They should also, by making comparatively small gold loans as needed, save individual countries from the danger of further paper inflation.

As for the eleven billion dollars owed the United States by the Allies, the sum should be reduced—perhaps by one-half?—as partial compensation for inflation of European currency since these debts were incurred. Amortization payments should be postponed for twenty years. Interest payments should be insisted on from every country able to squeeze them out, and the entire sum of two hundred and fifty million or so each year should be placed at the disposal of a committee of distinguished Americans to be expended in those humanitarian works in any part of the world which from year to year seemed most important and desirable. These might range all the way from grain elevators in the Ukraine to teaching Chinamen to read and write, from combatting sleeping sickness in Africa to financing coöperative stores in Arizona.

As I said, the rôle of moral dictator is easy. Painting rainbows is always pleasant. Whether there is any likelihood that these dreams will be fulfilled I have tried to indicate in the foregoing remarks.